Lt. Governor

Director

INFORMATIONAL LETTER NO.1078

DATE: December 12, 2011

Governor

TO: All Iowa Medicaid Providers Billing Electronically

ISSUED BY: Iowa Department of Human Services, Iowa Medicaid Enterprise (IME)

RE: Important 5010 HIPAA Transition Information

EFFECTIVE: January 1, 2012

The compliance date for the transition to the HIPAA Version 5010 is less than three weeks away for all HIPAA covered entities and transactions. All covered entities must upgrade from version 4010/4010A (4010) to version 5010 (5010) effective January 1, 2012.

The IME acknowledges that the Centers for Medicare & Medicaid Services' Office of E-Health Standards and Services (OESS) recently announced that it would not initiate enforcement action until March 31, 2012, with respect to any HIPAA covered entity that is not in compliance with the 5010 requirement. However, the IME emphasizes that the compliance date itself has not actually changed, and urges all covered entities that are not compliant with 5010 take steps to become compliant immediately. Providers and trading partners, who will not be compliant on the January 1, 2012, deadline and intend to submit in 4010 after the deadline, should prepare an action plan for compliance and submit the plan to the IME via email to improviderservices@dhs.state.ia.us. The plan should include the primary point of contact for follow up. The HIPAA 835 remittance advice transaction will only be available in 5010 beginning with the compliance date.

To ensure no disruption of claim submissions on and after January 1, 2012, the Iowa Medicaid Electronic Data Interchange Support Services (EDISS) has repeatedly asked all trading partners to enroll in Total OnBoarding (TOB) well before the January 2012 deadline.

To assist with the 5010 transition, follow the guidelines on the checklist on the EDISS website at http://www.edissweb.com/docs/shared/5010 checklist.pdf. The checklist is separated into three sections: Direct Providers (not using PC-ACE Pro32), Direct Providers (using PC-ACE Pro32), and Providers sending files through a clearinghouse or billing service. Please select the most appropriate section and follow the guidelines on the checklist to begin preparing for the transition.

As part of this transition, any additional electronic transaction user's access in 4010 (i.e., 835, 270/271, 276/277) will need to be re-registered for the 5010 format through TOB. Reregistering will ensure electronic functionality is not removed at the time of 5010 cut over.

A substantial change that is occurring with HIPAA 5010 Implementation is the replacement of the Noridian Claim Confirmation Report (CCR). The CCR is also known as the Gen Report. Across all lines of business for 5010, the CCR will be replaced by the 277CA.

277CAs will be returned to the Trading Partner 5010 mailboxes, the same way that CCRs were in 4010. However, 277CAs will be delivered in ANSI X12 format. Trading Partners will need to either view the 277CAs in text format, or they can use their billing software to translate the 277CA into a readable document similar to the CCR.

EDISS recommends that all trading partners check with their in-house billing software, external software vendor, billing service, or clearinghouse to ensure the 277CA will be able to be translated. If your vendor cannot translate the 277CA, PC-ACE Pro32 has that functionality and could be used by your facility.

Please visit <u>www.cms.gov/ICD10</u> for the latest news and resources to help you prepare for the transition to both 5010 as well as ICD-10.

If you have any questions, please contact the IME Provider Services Unit, 1-800-338-7909, locally 515-256-4609 or by email at imeproviderservices@dhs.state.ia.us.